

# HOUSE BILL No. 1695

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-9-41.

**Synopsis:** Fulton County innkeeper's tax. Permits Fulton County to impose an innkeeper's tax of up to 6%. Provides for the distribution of the county innkeeper's tax revenue.

**Effective:** July 1, 2009.

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**Gutwein, Friend**

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January 16, 2009, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1695

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-9-41 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2009]:

4 **Chapter 41. Fulton County Innkeeper's Tax**

5 **Sec. 1. This chapter applies to a county having a population of**  
6 **more than twenty thousand five hundred (20,500) but less than**  
7 **twenty-one thousand (21,000).**

8 **Sec. 2. (a) The county council may levy a tax on every person**  
9 **engaged in the business of renting or furnishing, for periods of less**  
10 **than sixty (60) days, any room or rooms, lodgings, or**  
11 **accommodations in any hotel, motel, inn, conference center, retreat**  
12 **center, or tourist cabin located in the county. However, the county**  
13 **council may not levy the tax on a person for engaging in the**  
14 **business of providing campsites within a state or federal park or**  
15 **forest. The tax may be imposed at any rate up to and including six**  
16 **percent (6%). The tax shall be imposed on the gross retail income**  
17 **derived from lodging income only and is in addition to the state**

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gross retail tax imposed on those persons by IC 6-2.5.

(b) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not later than twenty (20) days after the end of the month the tax is collected.

(c) All the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically and not in limitation of the foregoing sentence, the terms "person" and "gross retail income" have the same meaning in this section as they have in IC 6-2.5.

(d) The tax imposed under this section does not apply to the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of sixty-one (61) days or more.

(e) If a tax is levied under this section, a person or an entity collecting and timely remitting the tax is entitled to deduct and retain from the amount of the tax otherwise required to be remitted under this section a collection allowance equal to eighty-three hundredths percent (0.83%) of the tax liability accrued under this section during a reporting period.

**Sec. 3. (a)** The county treasurer shall establish a convention and visitors fund. Except as provided in subsection (b), the county treasurer shall deposit in the fund the tax revenues the county treasurer receives under section 2 of this chapter. Money in the fund may be expended only as provided in this chapter.

(b) The county treasurer is entitled to retain from the tax revenues otherwise required to be deposited under subsection (a) an amount equal to seventeen-hundredths percent (0.17%) of the total amount of tax revenues required to be deposited under subsection (a). The funds retained by the county treasurer under this subsection may be expended only for the operating budget of the county treasurer. Any funds:

(1) retained by the county treasurer under this subsection;  
and

(2) not expended by the end of the fiscal year in which the funds were retained;  
revert to the county general fund.

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1       **Sec. 4. (a) Money in the fund established under section 3 of this**  
 2 **chapter shall be distributed as follows:**

3       **(1) Fifty percent (50%) to the county parks and recreation**  
 4 **department to carry out the purposes of the department.**

5       **(2) Fifty percent (50%) for the benefit of the citizens of the**  
 6 **county and their public institutions as determined by the**  
 7 **county council.**

8       **(b) The county council may:**

9       **(1) accept and use gifts, grants, and contributions from any**  
 10 **public or private source, under terms and conditions that the**  
 11 **county council considers necessary and desirable;**

12       **(2) sue and be sued;**

13       **(3) enter into contracts and agreements;**

14       **(4) make rules and regulations necessary for the conduct of its**  
 15 **business and the accomplishment of the council's purposes;**

16       **(5) receive and approve, alter, or reject requests and**  
 17 **proposals for funding by corporations under subdivision (6);**

18       **(6) after its approval of a proposal, transfer money quarterly**  
 19 **or less frequently from the fund established under section 3 of**  
 20 **this chapter to any nonprofit corporation to promote and**  
 21 **encourage convention and visitation development in the**  
 22 **county; and**

23       **(7) require financial or other reports from any corporation**  
 24 **that receives funds under this chapter.**

25       **Sec. 5. (a) A member of the county council who knowingly**  
 26 **approves the transfer of funds to any person not qualified under**  
 27 **this chapter to receive such a transfer, or approves a transfer for**  
 28 **a purpose not permitted under this chapter, commits a Class D**  
 29 **felony.**

30       **(b) A person who receives a transfer of funds under this chapter**  
 31 **and knowingly uses the funds for any purpose other than a**  
 32 **proposal approved by the county council commits a Class D felony.**

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